

STATEMENT OF PURPOSE

RS20658

As is the case with the overwhelming majority of states, Idaho utilizes a three-tier regulation system for licensed suppliers, distributors and retailers of beer and wine products. A critical component of the three-tier system is the "cash law" codified at Idaho Code § 23-1031 (beer) and Idaho Code § 23-1326 (wine). These sections prohibit the extension of credit for the licensed retail purchase of beer and wine products. This legislation amends these code sections to provide a five-day grace period for transactions utilizing electronic funds transfers. The legislation provides that such five-day grace period is not a violation of the cash law nor an unlawful extension or acceptance of credit, provided that an electronic funds transfer is initiated and completed as promptly as is reasonably practical, and in no event completed later than five business days following delivery of beer or wine products.

FISCAL NOTE

There is no impact to the General Fund.

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